LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6850 NOTE PREPARED: Feb 10, 2011 **BILL NUMBER:** HB 1405 **BILL AMENDED:** Feb 10, 2011

SUBJECT: Tobacco Matters.

FIRST AUTHOR: Rep. Cherry

BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

Summary of Legislation: (Amended) This bill defines "dissolvable tobacco product". It provides that a person or retail establishment that knowingly: (1) sells or distributes a dissolvable tobacco product to a person less than 18 years of age; or (2) purchases a dissolvable tobacco product for delivery to a person less than 18 years of age; commits a Class C infraction. It also provides that a person who is less than 18 years of age who: (1) purchases a dissolvable tobacco product; (2) accepts a dissolvable tobacco product for personal use; or (3) possesses a dissolvable tobacco product, commits a class C infraction. The bill provides that a dissolvable tobacco product is considered a tobacco product for purposes of provisions relating to the regulation of tobacco vending machines. It also provides that the owner of a retail establishment that sells or distributes tobacco products through a self-service display, commits a Class C infraction. (Current law provides that the owner of a retail establishment that sells or distributes cigarettes through a self-service display, commits a Class C infraction.)

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues:(Revised) *Penalty Provision:* The maximum judgment for a Class C infraction is \$500, which would be deposited in the state General Fund. However, any additional revenue is likely to be small

Explanation of Local Expenditures

Explanation of Local Revenues: (Revised) *Penalty Provision:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional

HB 1405+ 1

revenue is likely to be small.

State Agencies Affected:

<u>Local Agencies Affected:</u> Trial courts, local law enforcement agencies.

Information Sources:

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HB 1405+ 2